



ANNUAL REPORT

For the Year Ended
December 31, 1930



424 NORTH NINETEENTH STREET
PHILADELPHIA, PA.

OFFICE OF THE PRESIDENT

*To the Stockholders of
American Stores Company:*

The Consolidated Statement of Profit and Loss for the year ended December 31, 1930, together with a Consolidated Balance Sheet at December 31, 1930, is submitted herewith, accompanied by the certificate of our auditors attesting to their accuracy.

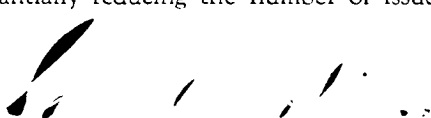
Net Income for the year, after providing for depreciation and taxes, amounted to \$5,930,149.65, equivalent to \$4.01 per share on 1,478,791 shares of Common Stock outstanding in the hands of the public at December 31, 1930. This compares with \$6,594,822.22 or \$4.25 per share on 1,551,728 shares for the year 1929 and \$5,570,668.71 or \$3.31 per share on 1,678,677 shares for 1928.

Sales for the year amounted to \$142,770,476.96 as compared to \$143,346,156.62 for the year 1929. While the sales show a decrease in dollar value, the tonnage sold by the Company in 1930, owing to the lower commodity prices prevailing, was substantially greater than the tonnage sold in 1929. The 2,728 stores in operation on December 31, 1930 represents an increase of 84 stores during the year. This increase has taken place to some extent in new territories now being developed.

The persistent decline in the prices of commodities throughout last year made operating conditions difficult, necessitating downward inventory adjustments and reduced profit margins. When the excess supply of certain food products is harmonized with consumption, the stabilization of prices, which is likely to follow, should have a favorable effect upon the earnings of your Company.

At December 31, 1930, the Company held 282,612- $\frac{1}{3}$ shares of Common Stock in Treasury. At the next Annual Meeting of the Stockholders, the Directors propose to recommend the retirement of all or part of the Treasury Stock, thereby substantially reducing the number of issued and outstanding shares.

March 2, 1931.



President.

AMERICAN STORES COMPANY

and Subsidiary Companies

Consolidated Balance Sheet

December 31, 1930

ASSETS

Current Assets

Cash.....	\$ 4,189,807.58
Marketable Securities—at cost.....	2,937,787.33
Inventories—at cost or market, whichever was lower...	12,916,964.91
Accounts Receivable.....	219,721.35
Loans to Employees—secured by Common Stock of Co.	1,133,408.80
Accrued Interest Receivable	34,769.50

Total Current Assets..... 21,432,459.47

Treasury Stock—282,612 $\frac{1}{3}$ shares Common Stock . . . 13,013,755.18

Trustee for Employees' Subscriptions to Common Stock 982,037.00

Fixed Assets

Warehouses, Store Properties, Bakeries, Canneries, Garages, Stables, etc., at cost \$19,128,905.22	
Less: Reserve for Depreciation..	6,555,876.00
	12,573,029.22

Goodwill..... 1.00

Deferred Charges..... 517,766.35

\$ 48,519,048.22

LIABILITIES

Current Liabilities

Accounts Payable and Accrued Charges.....	\$ 2,373,237.42
Dividend Payable	740,895.50
Reserve for Federal and State Taxes.....	848,800.42

Total Current Liabilities..... 3,962,933.34

Reserve for Contingencies 59,213.62

Capital and Surplus

Capital Stock—Issued and outstanding	
Common—no par value	
1,761,403 $\frac{1}{3}$ shares.....	\$24,375,502.71

Surplus

Capital Surplus.....	600,100.00
Earned Surplus.....	19,521,298.55
	<u>44,496,901.26</u>
	<u>\$ 48,519,048.22</u>

AMERICAN STORES COMPANY

and Subsidiary Companies

Consolidated Statement of Profit and Loss for the Year Ended December 31, 1930

Sales.....		\$142,770,476.96
Cost of Merchandise Sold.....		<u>114,258,548.19</u>
Gross Profit.....		28,511,928.77
Wages, Rents, Operating and Administrative Expenses.....	\$21,175,010.51	
Depreciation.....	<u>929,174.77</u>	<u>22,104,185.28</u>
Profit from Operations.....		6,407,743.49
Other Income.....		<u>285,406.16</u>
Net profit before Federal Income Tax		6,693,149.65
Reserve for Federal Income Tax.....		<u>763,000.00</u>
Net Income.....		<u><u>\$ 5,930,149.65</u></u>

Consolidated Surplus Account

Capital Surplus.....	\$ 600,100.00
Earned Surplus	
Balance at December 31, 1929.....	17,359,404.90
Net Income for year 1930.....	<u>5,930,149.65</u>
	23,289,554.55
Deduct: Dividends paid on Common Stock....	<u>3,768,256.00</u>
Balance at December 31, 1930.....	<u>19,521,298.55</u>
Total Surplus—December 31, 1930	<u><u>20,121,398.55</u></u>

NEW YORK, N.Y.
CHICAGO, ILL.
BOSTON, MASS.
PHILADELPHIA, PA.
SAN FRANCISCO, CAL.
LOS ANGELES, CAL.
UTICA, NEW YORK
DALLAS, TEX.
DETROIT, MICH.
CLEVELAND, OHIO
ST. LOUIS, MO.
HOUSTON, TEX.
TULSA, OKLA.
SEATTLE, WASH.
PORTLAND, ORE.
BALTIMORE, MD.

BARROW, WADE, GUTHRIE & CO.

ACCOUNTANTS AND AUDITORS
(ESTABLISHED 1883)

PACKARD BUILDING
FIFTEENTH AND CHESTNUT STREETS
PHILADELPHIA, PA.

MONTREAL, CANADA
TORONTO, CANADA
MEXICO CITY, MEXICO
LONDON, ENGLAND
MANCHESTER, ENGLAND
GLASGOW, SCOTLAND
MELBOURNE, AUSTRALIA
SYDNEY, AUSTRALIA
BUENOS AIRES, ARGENTINE
RIO DE JANEIRO, BRAZIL
PARA, BRAZIL
SAO PAULO, BRAZIL
PARIS, FRANCE
BERLIN, GERMANY
HAMBURG, GERMANY
ANTWERP, BELGIUM

To the Directors of
American Stores Company,
424 N. 19th Street,
Philadelphia, Pa.

Dear Sirs:

We have examined the accounts of the American Stores Company and its subsidiary companies for the year ended December 31, 1930.

The cash and securities have been verified by actual inspection or by certificates received from the depositories. The inventories, as certified by responsible officials, have been valued at cost or market, whichever was lower. Depreciation has been provided for on a conservative basis, and provision made for all ascertainable liabilities.

We hereby certify that in our opinion, the accompanying Consolidated Balance Sheet and Profit and Loss Account correctly present, respectively, the financial condition of the American Stores Company and its subsidiary companies as at December 31, 1930, and the results of their operations for the year ended that date.

Yours very truly,



Auditors.

Philadelphia, Pa.
February 24, 1931.

American Stores Company

OFFICERS

<i>President</i>	Samuel Robinson
<i>Vice-President</i>	Robert H. Crawford
<i>Vice-President and General Manager</i>	James K. Robinson
<i>Vice-President and Treasurer</i>	Wm. M. M. Robinson
<i>Secretary</i>	E. J. Flanigan
<i>Assistant Treasurer</i>	Wm. Gould
<i>Assistant Secretary</i>	J. V. Keers

DIRECTORS

Samuel Robinson	James K. Robinson
Robert H. Crawford	Wm. M. M. Robinson
John Eagleson	Joseph Gilfillan
E. J. Flanigan	William Park
John M. Hancock	